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Daily News

House Homeland Security poised to pass info-sharing measure

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The House Homeland Security Committee today is expected to easily clear a cybersecurity information-sharing bill, setting up the potentially more difficult task of merging that measure with a House Intelligence Committee bill – and ironing out differences with a Senate Intelligence version that many industry sources see as the gold standard.

The House Homeland Security panel marks up its info-sharing bill today, after Chairman Michael McCaul (R-TX) made some final tweaks designed to appeal to industry, the tech community and privacy advocates. McCaul released the revised version of his bill on Monday.

Homeland Security Democrats issued a statement Monday evening praising the privacy protections in the bill but raising concerns that it includes "unnecessarily generous" liability protection. Homeland Security ranking member Bennie Thompson (D-MS) suggested the House GOP leadership was dictating this overly broad approach to liability relief.

Thompson pointed to the liability structure in President Obama's info-sharing proposal as the preferred approach.

The full House next week is scheduled to consider the Homeland Security Committee and Intelligence Committee info-sharing bills, as well as a consumer data-breach notification bill that will be marked up Wednesday in the Energy and Commerce Committee.

The exact order and manner in which the bills will come to the floor has yet to be announced, but industry sources said they expect both the Homeland Security and Intelligence bills to get a vote. Both bills follow an approach to liability relief developed by the House Judiciary Committee.

The Senate Intelligence Committee's information-sharing bill is expected on the floor in the coming weeks as well. That measure continues to attract strong support from industry groups – financial sector organizations on Monday urged Senate leaders to advance the bill as quickly as possible.

Once these bills pass the House and Senate, it is possible that differences among the three measures can be resolved through informal talks and that a final version of an info-sharing bill would then be brought back to the House and Senate floor.

"I think they pass all the different versions and then deal with the convergence question," said one industry source, adding, "I think the [Senate Intelligence-passed] CISA will be the base bill and they'll build off that."

Despite the many moving pieces, industry sources appear increasingly optimistic that Congress will complete action on information sharing in the coming months – and that Obama will sign a bill into law.

"I think we're in a sweet spot right now, so I'm hopeful," said a financial sector source. But this source observed that it's difficult to assess the House Homeland and Intelligence bills as discrete pieces of legislation because they seem so dependent on one another.

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Within the bills, slightly different language on issues such as removing personally identifiable information carry big ramifications.

For instance, the McCaul bill still requires "reasonable" efforts to remove PII prior to sharing with government, while industry's preferred approach is found in the Senate Intelligence bill, which requires removing what is known to be PII at the time of sharing.

Industry sources were pleased by other changes to the McCaul bill.

The financial sector source noted that McCaul's staff appears to have gotten rid of language requiring companies to enter a memorandum of understanding with the Department of Homeland Security, while adding language ensuring that sharing between industry and their sector-specific agencies was covered.

The U.S. Chamber of Commerce's senior vice president for national security, Ann Beauchesne, said in a statement: "The U.S. Chamber applauds House Homeland Security Committee Chairman Michael McCaul for his commitment to strengthening America's security and resilience against cyber threats. The National Cybersecurity Protection Advancement Act (NCPAA), which is expected to be marked up April 14 in the full committee, joins a number of cybersecurity information-sharing bills being considered by policymakers."

Beauchesne said: "The Chamber is advocating for legislation that gives businesses legal certainty that they have protection from liability when voluntarily sharing and receiving cyber threat indicators and defensive measures in real time, and taking actions to mitigate cyberattacks. The Chamber will work to ensure that legislation offers protections related to public disclosure, regulatory, and anti-trust matters in order to increase the timely exchange of information among public and private entities. Additionally, we believe it is important that NCPAA and other cyber bills safeguard privacy and civil liberties and establishes appropriate roles for civilian and intelligence agencies, which NCPAA does."

She added, "The Chamber looks forward to reviewing the base bill and amendments after tomorrow's markup to formally determine our organization's support for the measure."

CBO report

Also on Monday, the Congressional Budget Office <u>released its analysis</u> of the House Intelligence Committee-passed H.R. 1560, the Protecting Cyber Networks Act.

The bill would cost the government about \$186 million over the 2016-2020 timeframe, CBO found, with most of the cost going toward the establishment and operation of the Cyber Threat Intelligence Integration Center. The CTIIC would have a maximum of 50 staffers.

About 20 additional personnel would be required "to administer the program, prepare the required reports, and manage the exchange of information between the government and nonfederal entities," according to CBO. – Charlie Mitchell (cmitchell@iwpnews.com)

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